

**OCTOBER 15, 2004**

**NOTICE**

There will be a meeting of the **Finance Labor Subcommittee** of the Board of Commissioners of Cook County on Thursday, **October 21, 2004** at the hour of **2:00 PM** in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois to consider the following:

265627      **AMENDMENT TO THE COOK COUNTY LIVING WAGE ORDINANCE (PROPOSED REVISED ORDINANCE AMENDMENT)**. Submitting a Proposed Ordinance Amendment sponsored by Roberto Maldonado and John P. Daley, County Commissioners. Co-Sponsored by Bobbie L. Steele, Mike Quigley and Larry Suffredin, County Commissioners.

requesting authorization to amend to the “Cook County Living Wage Ordinance” (98-O-21), approved by the Board on September 15, 1998, for your approval. This item will be introduced at the May 18, 2004 Board meeting and I will request that it be referred to the Finance Labor Subcommittee for further review and discussion.

Similar to the City of Chicago’s Living Wage Ordinance (Title 2, Chapter 92, Section 610), the proposed amendment increases the living wage for lowest-wage individuals employed by contractors or subcontractors doing business with Cook County. The county’s current living wage of \$7.60 per hour will be increased to \$9.43 per hour if health benefits are provided, or \$10.68 per hour with no health benefits. There will be an annual adjustment calculated as 100% of the federal poverty line for a family of four (as defined by the U.S. Department of Health and Human Services) with health benefits and 125% of the federal poverty line for a family of four without health benefits.

In addition, the proposed amendment applies to companies benefiting from property tax incentives as set forth in the Cook County Real Property Assessment Classification Ordinance.

These amendments will ensure fair wages and will contribute to the county’s overall economic well-being.

The following is a synopsis of the Proposed Revised Ordinance Amendment.

**PROPOSED REVISED ORDINANCE AMENDMENT**  
**COOK COUNTY LIVING WAGE ORDINANCE**

**WHEREAS**, on September 15, 1998, the Cook County Board of Commissioners passed the County Living Wage Ordinance to establish meaningful employee compensation for lowest-wage individuals employed by a person or business entity awarded a contract or subcontract with Cook County; and

**WHEREAS**, in recent years, over one hundred (100) local governments in the United States, including the City of Chicago, have enacted living wage laws with living wage adjustments that reflect changes in the federal poverty level; and

**WHEREAS**, the United States Department of Health and Human Services places the 2004 poverty guideline for a family of four (3 children under the age of 18) at \$18,850 and, in order for a worker to earn an annual income at or above the guideline, a worker would need to be paid a Living Wage of Nine and 43/100 Dollars (\$9.43) per hour for 2,000 hours per year; and

**WHEREAS**, Cook County’s Living Wage Ordinance should be updated to reflect the most recent federal poverty level standards to maintain a stable and productive work force thereby stimulating the local economy; and

WHEREAS, companies that benefit from certain property tax incentives from Cook County should be held to the same living wage standard as those companies who do business with Cook County to ensure a fair wage for their employees and to contribute to the County's overall economic well-being; now, therefore,

**Be it Ordained by the President and the Board of Commissioners of the County of Cook:**

The Cook County Living Wage Ordinance (98-O-21) is hereby amended by deleting the language struck out and by inserting the language in bold and underlined, and the newly amended language in bold, underlined, and italics as follows:

**Section 1. Living Wage Requirements**

A ~~living wage~~ **Living Wage** for services performed or produced shall be paid to ~~lowest-wage~~ individuals employed **by a person or business entity awarded a contract or subcontract with Cook County or by a ~~company~~ person or business entity who receives a Class 6b, C, 7a, 7b, 8, 9, or L property tax incentive pursuant to the Cook County Real Property Assessment Classification Ordinance (02-O-14). In the case of Class C, 8, and L, the Living Wage shall apply only until the assessment rate reaches 30%.** ~~under contracts between the County of Cook and eligible contractors.~~

**(A) Definitions.**

1. "Base **Living Wage**" means **a minimum wage of** no less than \$7.60 per hour ~~hour~~ **\$9.43 per hour if employee health benefits are provided, or \$10.68 \$11.78 per hour without health benefits. The employee health benefit contribution shall not exceed 25% of the health insurance premium. As of July January 1, 2005 2006, and each July January 1 thereafter, the Living Wage shall be adjusted, using the most recent federal poverty guidelines for a family of four as published annually by the United States Department of Health and Human Services, to constitute the following: the poverty guideline for a family of four divided by 2000 hours, or the current living wage, whichever is higher there will be an annual adjustment calculated as 100% of the federal poverty line for a family of four (as defined by the U.S. Department of Health and Human Services) with health benefits and 125% of the federal poverty line for a family of four without health benefits.**
2. "Contract" means any written agreement requiring board approval whereby the County is committed to expend or does expend funds in connection with any contract or subcontract **which requires in the performance thereof the employment of 25 or more full time non-county employees, including, but not limited to, the following classifications: cashier, clerical, custodial, day laborer, elevator operator, home and health care, laundry, leased employee, parking attendant, and security guard.** The term "Contract" shall not include contracts with Not-For-Profit Organizations, Community Development Block Grants, President's Office of Employment Training, Sheriff's Work Alternative Program, or Department of Correction inmates.
3. "Contracting Agency" means the County of Cook.
4. "Eligible Contractors" means any person or business entity awarded a contract **or subcontract** by the County of Cook **which requires in the performance thereof the employment of 25 or more full time non-county employees, including, but not limited to, the following classifications: cashier, clerical, custodial, day laborer, elevator operator, home and health care, laundry, leased employee, parking attendant, and security guard. Eligible Contractors shall not include any person or business entity with fewer than 25 full time employees.**
5. "Not-for Profit Organization" means a corporation having tax exempt status under Section 501 (C) (3) of the United States Internal Revenue Code and recognized under Illinois State not-for-profit law.
6. **"Property Tax Incentive" means any a reduction in the assessment**

level as set forth in the Cook County Real Property Assessment Classification Ordinance (02-0-14) including the following assessment classes applicable only to commercial and industrial property: Class 6b; Class C; Class 7a; Class 7b; Class 8; Class 9; and Class L.

- (B) Every eligible contract ~~eligible contractor and subcontractor, or company and business entity who receives a property tax incentive, shall provide an affidavit to the contracting agency~~ contains a provision or provisions stipulating the ~~living wage~~ Contract shall contain a provision or provisions stipulating that they are currently paying the Living Wage required to be paid to the employees listed under paragraph A (1), and each such Contract shall further contain provisions obligating the Eligible Contractor, or subcontractor of such Eligible Contractor, to pay its employees for work at not less than the Living Wage. and each such contract shall further contain provisions obligating the contractor or subcontractor of such contractor to pay its employees for work not less than the base wage.
- (C) Every person or business entity who receives a property tax incentive, shall provide an affidavit to the Cook County Department of Planning and Development stipulating that such person or business entity is currently paying the Living Wage required to be paid to the employees listed under paragraph A (1).
- (D) The Purchasing Agent shall require as part of the bidding and sole source procedure that any covered contractor provide the County of Cook certification of its compliance with this Ordinance.
- (E) Any contract that violates the provisions contained in this Ordinance shall be subject to cancellation by the Cook County Board of Commissioners.
- (F) Any contractor disqualified from eligibility by the Cook County Board of Commissioners shall be ineligible for two years following violation of this Ordinance.

## **Section 2. Applicability**

- (A) This Ordinance shall apply to contracts advertised for bid or if not advertised for bid, approved for sole source or to companies persons or business entities who receive property tax incentives on or after December 1, 1998 July January 1, 2004 2005.
- ~~(B) Whenever a collective bargaining agreement is in effect between eligible contractors and employees who are represented by a recognized labor organization which is in no way influenced or controlled by the County of Cook, such agreement and its provisions shall be considered as conditions prevalent in that locality and therefore exempt from this Ordinance.~~
- (B) This ordinance shall not apply to any contract with the County of Cook entered into prior to the effective date of the ordinance.
- (C) All resolutions or ordinances or parts thereof in conflict with the provisions of this ordinance to the extent of such conflict are hereby repealed effective upon passage of this ordinance.

Section 3. Severability. All portions of this Ordinance are severable, and if any of its provisions or any sentence, clause or paragraph shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

## **Section 4. Effective Date.**

This amended ordinance shall take full force and effect on July January 1, 2004 2005.

**\*Referred to the Committee on Finance Labor Subcommittee on 05/18/04.  
Approved as amended on 6/15/04. Deferred at County Board Meeting on 07/13/04.**

267643        BUREAU OF HUMAN REOURCES, by Mark Kilgallon, Chief, transmitting a  
Communication, dated October 5, 2004:

Transmitting herewith is an Interest Arbitration decision concerning the Sheriff’s Department  
of Community Supervision and Intervention (DCSI) Fugitive Unit for your consideration and  
approval.

PROPOSED RESOLUTION

**WHEREAS**, the Sheriff and the County of Cook, joint employees, and the Fraternal Order of  
Police Labor Council (representing Fugitive Unit Investigators) have entered into Compulsory  
Interest Arbitration under Section 14 of the Illinois Public Relations Act; and

**WHEREAS**, an Interest Arbitration Award has been issued concerning unresolved salary  
issues covering the period December 1, 2001 through November 30, 2004.

**NOW, THEREFORE, BE IT RESOLVED**, that this award be submitted for your approval  
by the Board of Commissioners of Cook County.

**\*Referred to the Committee on Finance Labor Subcommittee on 10/05/04.**

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Michelle Harris, Secretary

Chairman:        Murphy  
Vice-Chairman:    Moreno  
Members:        Butler, Gorman, Hansen, Maldonado, Sims